South Carolina Electric & Gas Company
Non-GAAP (Regulatory Basis) Pro Forma Condensed Consolidated Balance Sheet (includes SCFC Only)
As of September 30, 2006 (unaudited)
(Thousands of Dollars)

(Thousands of Dollars)	Actual	Adjustments	As Adjusted		
Assets:					
Utility Plant:	<b>f</b> 0.040.04	10	Ф 0.040.040		
Electric Gas	\$ 6,642,64 552,98		\$ 6,642,643 552,985		
Other	228,87		228,874		
Total	7,424,50		7,424,502		
Less Accumulated Deprec. and Amortization Total	2,298,16 5,126,3 <sup>2</sup>		2,298,162 5,126,340		
Construction Work in Progress	233,08		233,082		
Nuclear Fuel, Net of Accumulated Amortization	40,55	58_	40,558		
Utility Plant, Net	5,399,98	<u>80                                    </u>	5,399,980		
Other Property and Investments:					
Nontility Property, Net of Accum Deprec	30,54	14	30,544		
Assets held in trust, net - nuclear decommissioning	54,93		54,937		
Other Investments Total Other Property & Investments	25,78 111,26		25,788 111,269		
Total Other Property a Invocationic	111,20	<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	111,200		
Current Assets:	0.04	IO			
Cash and Temporary Cash Investments	8,34	l9 \$ 399,350 (a) (118,600) (b)			
		249,600 (c)			
		(107,112) (d)	431,587		
Receivable - Customer and Other	317,27		317,277		
Receivable - affiliated companies Inventories (At Average Cost):	24,32	27	24,327		
Fuel	51,67	<b>'</b> 5	51,675		
Materials and Supplies	84,04		84,045		
Emission Allowances	23,52		23,527		
Prepayments and Other Deferred Income Taxes	15,91 18,93		15,912 18,933		
Total Current Assets	544,04		967,283		
Deferred Debits: Pension Asset, net	212 21	ı.E.	212 215		
Due from affiliates - postretirement benefits	313,31 25,30		313,315 25,306		
Emission Allowances	26,70		26,702		
Regulatory Assets	539,07		539,077		
Other	121,51	0 650 (a) 400 (c)	122,560		
Total Deferred Debits	1,025,91		1,026,960		
Total Assets	\$ 7,081,20	)4_ \$ 424,288_	\$ 7,505,492		
		<u> </u>			
Capitalization and Liabilities: Capitalization:					
Common Stock (\$4.50 Par Value)	\$ 181,33	32	\$ 181,332		
Prem on Common Stock and Other Paid in Capital	1,166,52		1,166,526		
Capital Stock Expense (Debit)	(5,43		(5,434)		
Retained Earnings Total Common Equity	1,096,83 2,439,26		1,096,839 2,439,263		
Preferred Stock (Not Subject to Purchase or Sinking Funds)	106,26		106,260		
Total Stockholders' Investment	2,545,52		2,545,523		
Preferred Stock (Subject to Purchase or Sinking Funds)	7,71	8	7,718		
Long-Term Debt, Net	1,856,47	76 \$ 400,000 (a) 250,000 (c)	2,506,476		
Total Capitalization	4,409,71		5,059,717		
Minority Interest		0	010		
Minority Interest	91	9_	919		
Current Liabilities:	225,71	2 (119 600) /6)			
Short-Term Borrowings	223,71	(118,600) (b) (107,112) (d)	-		
Current Portion of Long-Term Debt	10,26		10,269		
Current Portion of Preferred Stock	56		560		
Accounts Payable Accounts Payable - Affiliated Companies	71,58 175,42		71,582 175,421		
Customer Deposits	37,81		37,810		
Taxes Accrued	130,66		130,665		
Interest Accrued	28,19		28,195		
Dividends Declared Other	39,99 35,47		39,995 35,470		
Total Current Liabilities	755,67		529,967		
Deferred Credits	_		_		
Deferred Income Taxes	743,51	6	743,516		
Deferred Investment Tax Credits	114,74		114,749		
Asset Retirement Obligations	307,79		307,791		
Due to affiliates - pension and post retirement benefits  Post Retirement Benefit	10,96 154.80		10,961 154,800		
Post Retirement Benefit Regulatory Liabilities	154,80 510,57		154,800 510,578		
Other	72,49		72,494		
Total Deferred Credits	1,914,88	39	1,914,889		
Total Capitalization and Liabilities	\$ 7,081,20	94 \$ 424,288	\$ 7,505,492		

South Carolina Electric & Gas Company
Non-GAAP (Regulatory Basis) Pro Forma Condensed Consolidated Statement of Income (includes SCFC only)
For the Twelve Months Ended September 30, 2006 (unaudited)
(Thousands of Dollars)

0 1 0	Actual	Adjustments	As Adjusted
Operating Revenues Electric	\$ 1,898,468		\$ 1,898,468
Gas	545,566		545,566
Total Operating Revenues	2,444,034		2,444,034
On continue Francisco			
Operating Expenses Fuel Used in Electric Generation	490,190		490,190
Purchased Power	189,153		189,153
Gas Purchased for Resale	443,586		443,586
Other Operation	346,191		346,191
Maintenance	95,354		95,354
Depreciation and Amortization	281,549		281,549
Other Taxes	126,676		126,676
Total Operating Expenses	1,972,699		1,972,699
Operating Income	471,335		471,335
Other Income (Expense)			
Other Income	104,763		104,763
Other Expenses	(89,406)		(89,406)
Interest Charges, net of allowance for borrowed funds	, ,		,
used during construction	(131,897)	(16,638) (e)	
		(130) (f)	
		(8,652) (g)	(457.007)
Gain on Sale of Assets	1 25/	(80) (h)	(157,397)
Total Other Expense	<u>1,254</u> (115,286)	(25,500)	1,254 (140,786)
Total Other Expense	(113,200)	(23,300)	(140,700)
Income Before Income Taxes, Losses from Equity			
Method Investments, Cumulative Effect of Accounting			
Change and Preferred Stock Dividends	356,049	(25,500)	330,549
Income Tax Expense (Benefit)	83,924	(6,364) (e)	
income rax expense (benefit)	03,924	(50) (f)	
		(3,309) (g)	
		(31) (h)	74,170
Income Before Losses from Equity Method Investments,			<del>, , , , , , , , , , , , , , , , , , , </del>
Cumulative Effect of Accounting Change and Preferred			
Stock Dividends	272,125	(15,746)	256,379
Losses from Equity Method Investments	(21,181)	-	(21,181)
Cumulative Effect of Accounting Change	3,792	<del>-</del>	3,792
Net Income	254,736	(15,746)	238,990
Preferred Stock Cash Dividends	7,282		7,282
Earnings Available for Common Stockholder	\$ 247,454	\$ (15,746)	\$ 231,708

## South Carolina Electric & Gas Company Non-GAAP (Regulatory Basis) Pro Forma Condensed Statement of Cash Flows (includes SCFC Only) For the Nine Months Ended September 30, 2006 (unaudited)

(Thousands of Dollars)

Cash Flows From Operating Activities:         \$ 194,617           Net income         4 djustments to reconcile net income to net cash provided by (used for) operations         (3,792)           Losses from equity method investment         16,370           Depreciation and amortization         208,415           Amortization of Nuclear Fuel         14,216           Allowance for Funds Used During Construction         (181)           Carrying cost recovery         (4,812)           Cash provided (used) by changes in certain assets and liabilities:         47,581           Receivables         47,581           Inventories         (46,806)           Prepayments         (4,186)           Pension asset         (9,613)           Other regulatory assets         (14,936)           Pension asset         (3,149)           Regulatory liabilities         22,001           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,224)           Interest accrued         (5,724)           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         (243,591)           Utility property ad		2006
Adjustments to reconcile net income to net cash provided by (used for) operations Cumulative effect of accounting change Losses from equity method investment 16,370 Depreciation and amortization Amortization of Nuclear Fuel Allowance for Funds Used During Construction (181) Carrying cost recovery (4,812) Cash provided (used) by changes in certain assets and liabilities: Receivables Inventories Receivables Receivables Repaired Regulatory liabilities Regulatory liabilities Regulatory liabilities Regulatory liabilities Researcued Repaired Repa	· ·	¢ 104.617
Cumulative effect of accounting change         (3,792)           Losses from equity method investment         16,370           Depreciation and amortization         208,415           Amortization of Nuclear Fuel         14,216           Allowance for Funds Used During Construction         (181)           Carrying cost recovery         (4,812)           Cash provided (used) by changes in certain assets and liabilities:         47,581           Receivables         47,581           Inventories         (46,806)           Prepayments         (4,186)           Pension asset         (9,613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities:         (243,591)           Utility	Adjustments to reconcile net income to net cash	φ 194,017
Losses from equity method investment         16,370           Depreciation and amortization         208,415           Amortization of Nuclear Fuel         14,216           Allowance for Funds Used During Construction         (181)           Carrying cost recovery         (4,812)           Cash provided (used) by changes in certain assets and liabilities:         47,581           Receivables         (46,806)           Inventories         (4,186)           Pension asset         (9,613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,724)           Changes in other lasets         1,029           Changes in other liabilities         38,943           Vet Cash Provided From Operating Activities         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Flows From Financing Activities:         (260,371)           Proceeds from issuance of debt         (13,790) <td></td> <td>(0.700)</td>		(0.700)
Depreciation and amortization		, ,
Amortization of Nuclear Fuel Allowance for Funds Used During Construction (181) Carrying cost recovery (2ash provided (used) by changes in certain assets and liabilities: Receivables Inventories (46,806) Prepayments (4,186) Pension asset (9,613) Other regulatory assets Deferred income taxes, net (3,149) Regulatory liabilities Postretirement benefits Accounts payable Accounts payable (67,287) Taxes accrued Interest accrued Interest accrued Interest accrued Changes in other liabilities Net Cash Provided From Operating Activities: Utility property additions and construction expenditures Utility property additions and construction expenditures Interest accrued Interest accrued Cash Flows From Investing Activities: Utility property additions and construction expenditures Utility property additions Utility property additions Utility property additions Utility property additions Utility property addi		
Allowance for Funds Used During Construction Carrying cost recovery Cash provided (used) by changes in certain assets and liabilities: Receivables Inventories Receivables Inventories (44,86) Prepayments (4,186) Pension asset (9,613) Other regulatory assets (14,936) Deferred income taxes, net (3,149) Regulatory liabilities (22,001) Postretirement benefits (6,619) Accounts payable (67,287) Taxes accrued (5,724) Interest accrued (5,724) Interest accrued Changes in other liabilities (5,724) Interest acrued Changes in other liabilities Net Cash Provided From Operating Activities Utility property additions and construction expenditures Unitility property additions and construction expenditures (243,591) Investments (16,780) Net Cash Used For Investing Activities: Proceeds from issuance of debt Repayment of debt Dividends on equity securities (143,000) Dividends on equity securities (240,371)  Cash Flows From Financing Activities: Proceeds from parent Short-term borrowings - affiliate, net Short-term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (23) Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		
Carrying cost recovery         (4,812)           Cash provided (used) by changes in certain assets and liabilities:         47,581           Receivables         47,581           Inventories         (46,806)           Prepayments         (4,186)           Pension asset         (9613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other passets         1,029           Changes in other passets         1,029           Changes in other passets         (243,591)           Net Cash Provided From Operating Activities         (243,591)           Investments         (243,591)           Net Cash Provided From Investing Activities         (243,591)           Proceeds from issuance of debt         132,278           Repayment of debt         (143,000)           Dividends on equity securities         (11		
Receivables         47,581           Inventories         (46,806)           Prepayments         (4,186)           Pension asset         (9,613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (243,591)           Proceeds from issuance of debt         132,278           Repayment of debt         (143,000)           Dividends on equity securities         (143,000)           Contribution from pa		
Inventories	Cash provided (used) by changes in certain assets and liabilities:	, ,
Prepayments         (4,186)           Pension asset         (9,613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,079)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Contribution from parent         2,803           Short-term borrowings - affiliate, net         75,000           Short-term borrowings, net         (77,406)           Net Cash Provided By (Used For) Financing Activities         (129,095)           Net Increase (Decrease	Receivables	
Pension asset         (9,613)           Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,019)           Interest accrued (5,019)         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Cash Flows From Financing Activities:         (143,000)           Dividends on equity securities         (118,770)           Contribution from parent         2,803           Short-term borrowings - affiliate, net         75,000           Short term borrowings, net         (77,406)           Net Cash Provided By (Used For)		, ,
Other regulatory assets         (14,936)           Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Cash Flows From Financing Activities:         (132,278           Repayment of debt         (143,000)           Dividends on equity securities         (118,770)           Contribution from parent         2,803           Short-term borrowings, at fililate, net         75,000           Short term borrowings	· ·	, ,
Deferred income taxes, net         (3,149)           Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (243,591)           Investments         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (143,000)           Dividends on equity securities         (118,770)           Contribution from parent         2,803           Short-term borrowings, net         (77,406)           Net Cash Provided By (Used For) Financing Activities         (129,095)		
Regulatory liabilities         22,001           Postretirement benefits         6,619           Accounts payable         (67,287)           Taxes accrued         (5,724)           Interest accrued         (5,019)           Changes in fuel adjustment clauses         37,911           Changes in other assets         1,029           Changes in other liabilities         5,689           Net Cash Provided From Operating Activities         388,943           Cash Flows From Investing Activities:         (243,591)           Utility property additions and construction expenditures         (16,780)           Net Cash Used For Investing Activities:         (260,371)           Cash Flows From Financing Activities:         (260,371)           Cash Flows From Financing Activities:         132,278           Proceeds from issuance of debt         132,278           Repayment of debt         (143,000)           Dividends on equity securities         (118,770)           Contribution from parent         2,803           Short-term borrowings - affiliate, net         75,000           Short term borrowings, net         (77,406)           Net Increase (Decrease) in Cash and Cash Equivalents         (523)           Cash and Cash Equivalents, January 1         8,872      <		
Postretirement benefits Accounts payable Accounts payable (67,287) Taxes accrued (5,724) Interest accrued (5,019) Changes in fuel adjustment clauses 37,911 Changes in other assets 1,029 Changes in other liabilities 5,689 Net Cash Provided From Operating Activities Utility property additions and construction expenditures (16,780) Net Cash Used For Investing Activities: Utility property additions and construction expenditures (260,371)  Cash Flows From Financing Activities: Proceeds from issuance of debt Repayment of debt Repayment of debt Dividends on equity securities Contribution from parent Short-term borrowings - affiliate, net Short-term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Repaymental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	·	
Accounts payable Taxes accrued (5,724) Interest accrued (5,019) Changes in fuel adjustment clauses 37,911 Changes in other assets 1,029 Changes in other liabilities 5,689 Net Cash Provided From Operating Activities Utility property additions and construction expenditures (16,780) Investments (16,780) Net Cash Used For Investing Activities:  Utility property additions and construction expenditures (243,591) Investments (16,780) Net Cash Used For Investing Activities:  Proceeds from issuance of debt Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net Short-term borrowings - affiliate, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents (523) Cash and Cash Equivalents, January 1 8,872 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes 61,091  Noncash Investing and Financing Activities:		
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Interest accrued (5,019) Changes in fuel adjustment clauses 37,911 Changes in other assets 1,029 Changes in other liabilities 5,689 Net Cash Provided From Operating Activities 388,943  Cash Flows From Investing Activities: Utility property additions and construction expenditures (243,591) Investments (16,780) Net Cash Used For Investing Activities: Proceeds from issuance of debt 132,278 Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net 75,000 Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents (523) Cash and Cash Equivalents, January 1 8,872 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) \$89,965 - Income taxes 61,091  Noncash Investing and Financing Activities:	· ·	
Changes in other assets Changes in other liabilities S,689  Net Cash Provided From Operating Activities:  Utility property additions and construction expenditures Investments (243,591) Investments (260,371)  Cash Flows From Investing Activities: (260,371)  Cash Flows From Financing Activities: Proceeds from issuance of debt Repayment of debt Contribution from parent Contribution from parent Short-term borrowings - affiliate, net Short-term borrowings, net (77,406)  Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Repaymental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  1,029 5,689  1,024  1,029  1,024  1,029  1,	Interest accrued	, ,
Changes in other liabilities 5,689  Net Cash Provided From Operating Activities 388,943  Cash Flows From Investing Activities:  Utility property additions and construction expenditures (16,780) Investments (16,780) Net Cash Used For Investing Activities (260,371)  Cash Flows From Financing Activities:  Proceeds from issuance of debt 132,278 Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net 75,000 Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents (523) Cash and Cash Equivalents, January 1 8,872 Cash and Cash Equivalents, September 30 \$8,349  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) \$89,965 - Income taxes 61,091	Changes in fuel adjustment clauses	37,911
Net Cash Provided From Operating Activities388,943Cash Flows From Investing Activities: Utility property additions and construction expenditures Investments(243,591) (16,780)Net Cash Used For Investing Activities(260,371)Cash Flows From Financing Activities: Proceeds from issuance of debt Repayment of debt Dividends on equity securities Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net(143,000) (118,770)Net Cash Provided By (Used For) Financing Activities(77,406)Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30(523) (523)Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes\$89,965 61,091Noncash Investing and Financing Activities:		
Cash Flows From Investing Activities: Utility property additions and construction expenditures Investments (16,780) Net Cash Used For Investing Activities  Cash Flows From Financing Activities: Proceeds from issuance of debt Repayment of debt Otividends on equity securities Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		
Utility property additions and construction expenditures Investments (16,780)  Net Cash Used For Investing Activities  Cash Flows From Financing Activities:  Proceeds from issuance of debt Repayment of debt Otividends on equity securities Contribution from parent Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	Net Cash Provided From Operating Activities	388,943
Investments Net Cash Used For Investing Activities  Cash Flows From Financing Activities:  Proceeds from issuance of debt Repayment of debt Obividends on equity securities Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net Net Cash Provided By (Used For) Financing Activities  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	Cash Flows From Investing Activities:	
Net Cash Used For Investing Activities (260,371)  Cash Flows From Financing Activities:  Proceeds from issuance of debt 132,278 Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net 75,000 Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents (523) Cash and Cash Equivalents, January 1 8,872 Cash and Cash Equivalents, September 30 \$8,349  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) \$89,965 - Income taxes 61,091  Noncash Investing and Financing Activities:		
Cash Flows From Financing Activities:  Proceeds from issuance of debt Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		
Proceeds from issuance of debt Repayment of debt (143,000) Dividends on equity securities (118,770) Contribution from parent 2,803 Short-term borrowings - affiliate, net 75,000 Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	Net Cash Used For Investing Activities	(260,371)
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Dividends on equity securities  Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net  Net Cash Provided By (Used For) Financing Activities  (523)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		
Contribution from parent Short-term borrowings - affiliate, net Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	• •	
Short-term borrowings - affiliate, net Short term borrowings, net (77,406) Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		, ,
Short term borrowings, net (77,406)  Net Cash Provided By (Used For) Financing Activities (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents (523)  Cash and Cash Equivalents, January 1 8,872  Cash and Cash Equivalents, September 30 \$8,349  Supplemental Cash Flow Information:  Cash paid for - Interest (net of capitalized Interest of \$5) \$89,965  - Income taxes 61,091  Noncash Investing and Financing Activities:	•	
Net Cash Provided By (Used For) Financing Activities  (129,095)  Net Increase (Decrease) in Cash and Cash Equivalents Cash and Cash Equivalents, January 1 Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:		•
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Cash and Cash Equivalents, September 30  Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Noncash Investing and Financing Activities:	Net Increase (Decrease) in Cash and Cash Equivalents	(523)
Supplemental Cash Flow Information: Cash paid for - Interest (net of capitalized Interest of \$5) - Income taxes  Supplemental Cash Flow Information:  \$89,965 61,091		
Cash paid for - Interest (net of capitalized Interest of \$5) \$89,965 - Income taxes 61,091  Noncash Investing and Financing Activities:	Cash and Cash Equivalents, September 30	\$ 8,349
- Income taxes 61,091  Noncash Investing and Financing Activities:	···	
Noncash Investing and Financing Activities:		
	- Income taxes	61,091
Accrued construction expenditures 13,283		
	Accrued construction expenditures	13,283

South Carolina Electric & Gas Company
Non-GAAP (Regulatory Basis) Pro Forma Condensed Consolidated Statement of Capitalization
(includes SCFC only)
September 30, 2006 (unaudited)
(Thousands of Dollars)

	Actual	%	ljustments	As Adjusted		%
Short-term debt	\$ 225,712		\$ (118,600) (b)			
			(107,112) (d)	\$	-	
Long-term debt,net	1,856,476		400,000 (a)			
Long-term debt, net	1,000,470		, , ,		2,506,476	
			250,000 (c)		2,500,470	
Current portion of long-term debt	10,269				10,269	
,	 ,		 		,	
Total debt	2,092,457	45.0%	424,288		2,516,745	49.6%
Preferred Stock, net	114,538	2.5%			114,538	2.3%
Common Stook Equity	2 420 262	EO E0/			0.420.262	40 40/
Common Stock Equity	 2,439,263	52.5%	 		2,439,263	48.1%
	\$ 4,646,258	100.0%	\$ 424,288	\$	5,070,546	100.0%
		-				-

South Carolina Electric & Gas Company
Notes to Non-GAAP (Regulatory Basis) Pro Forma Condensed Consolidated Financial Statements
(includes SCFC only)
September 30, 2006 (unaudited)

Basis: These pro forma financial statements include the accounts of SCE&G and SCFC only. They exclude the accounts of South Carolina Generating Company, Inc. which, under the provisions of FIN 46(R), would be consolidated with SCE&G in order for the financial statements to be in conformity with GAAP.

- (a) Represents the receipt of \$400,000,000 under the proposed SCE&G Credit Facility net of debt issuance costs of \$650,000.
- (b) Represents the repayment of SCE&G short-term debt (commercial paper).
- (c) Represents the receipt of \$250,000,000 under the proposed South Carolina Fuel Company, Inc. (SCFC) Credit Facility, net of debt issuance costs of \$400,000
- (d) Represents the repayment of SCFC short-term debt (commercial paper).
- (e) Represents the interest expense and the related income tax effects resulting from the issuance of additional long-term debt at current 3 month LIBOR plus 37 basis points outstanding for twelve months. Calculations are as follows:

Proposed SCE&G credit facility	\$	400,000,000
Interest rate at current 3 month LIBOR plus 37 basis points Interest expense on proposed credit facility		5.74% 22,960,000
Less:		22,900,000
Proceeds used to repay short-term debt (CP) outstanding at 9/30/0€		118,600,000
Interest rate on current CP outstanding at 9/30/06		5.33%
Interest expense on current CP outstanding		6,321,380
Net increase in interest expense	\$	16,638,620
Income tax decrease:	_	
\$16,638,620 * 38.25% (composite rate)	\$	6,364,272

(f) Represents the amortization over five years of estimated debt expense and the related income tax effects from the new debt issuance described in (a).

Debt issuance expense \$650,000 / 5 years	\$	130,000
Income tax decrease \$130,000 * 38.25%	\$	49,725

(g) Represents the interest expense and the related income tax effects resulting from the issuance of additional long-term debt at current 3 month LIBOR plus 37 basis points outstanding for twelve months. Calculations are as follows:

	Proposed SCFC Credit Facility Interest rate at current 3 month LIBOR plus 37 basis points Interest expense on proposed credit facility	\$	250,000,000 5.74% 14,350,000
	Less: Proceeds used to repay short-term debt (CP) outstanding at 9/30/06 Interest rate on current CP outstanding at 9/30/06 Interest expense on current CP outstanding		107,112,000 5.32% 5,698,358
	Net increase in interest expense	\$	8,651,642
	Income tax decrease: \$8,651,642 * 38.25%	\$	3,309,253
(h)	Represents the amortization over five years of estimated debt expense and the income tax effects from the new debt issuance described in (c).	ne rela	tec
	Debt issuance expense \$400,000 / 5 years	\$	80,000
	Income tax decrease \$80,000 * 38.25%	\$	30,600

Note: Debt issuance costs in notes (a) and (c) aggregate to \$1,050,000, which is the maximum described in Item C(ii) of the Application.